

IRS News Release

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E-file 7.8 Percent Ahead of Last Year as Tax Deadline Approaches

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WASHINGTON — With April 15 just days away, the Internal Revenue Service announced today that the e-file, direct deposit and e-payment programs remain at record paces so far this year.

Through April 8, taxpayers e-filed 55.8 million tax returns up almost 8 percent from the same period last year. Overall, 63 percent of all returns were e-filed – up from 58 percent for the same period last year. While this percentage will decline as the final rush of April 15 tax returns are processed, the IRS expects for the first time to have more than half of all individual tax returns filed electronically.

“Even if it’s the last minute, taxpayers can use e-file and Free File to beat the April 15 deadline,” said IRS Commissioner Mark W. Everson. “E-file reduces the chances of making a last-minute mistake, and it gets refunds back in half the time of a paper return.”

As of April 6, 2005, the IRS accepted 4.16 million tax returns through the Free File program - a 44.2 percent increase from the same period last year (2.89 million). The IRS and a consortium of tax software manufacturers offer free services through Free File, which is available at IRS.gov. Free file is in its third year.

Record numbers of individuals are choosing to have their refunds directly deposited into their bank accounts. So far this year, more than 44 million refunds were paid through direct deposit up 5.9 percent for the same time last year.

Taxpayers who e-file and choose direct deposit get their refunds in half the time of those who file a paper return. Even paper filers, however, can get the benefit of direct deposit by choosing that option on their tax forms; they will get their refunds a week sooner than waiting for a paper check.

2005 FILING SEASON STATISTICS

Cumulative through the week ending 4/9/04 and 4/8/05

	<u>2004</u>	<u>2005</u>	<u>% Change</u>
Individual Income Tax Returns			
Total Receipts	89,425,000	88,049,000	-1.5
Total Processed	82,572,000	82,734,000	0.2
E-filing Receipts:			
TOTAL	51,769,000	55,782,000	7.8
TeleFile (phone)	3,316,000	2,859,000	-13.8
Computer	48,453,000	52,923,000	9.2
Tax Professionals	36,633,000	39,372,000	7.5
Self-prepared	11,820,000	13,551,000	14.6
Total Refunds:			
Number	73,171,000	72,278,000	-1.2
Amount of principal	\$152.957 billion	\$158.222 billion	3.4
Average refund	\$2,090	\$2,189	4.7
Direct Deposit Refunds:			
Number	41,807,000	44,275,000	5.9
Amount	\$102.680 billion	\$113.790 billion	10.8
Average	\$2,456	\$2,570	4.6